

AMENDED IN ASSEMBLY JUNE 1, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 1773

Introduced by Committee on Public Employees, Retirement and Social Security (Torrico (Chair), Jones, Mullin, and Negrete McLeod)

April 4, 2005

~~An act to amend Sections 20098, 20163, 20281.5, 20340, 20752, 21151, 21220, 21221, 21224, 21225, 21226, 21227, 21359, 21540.5, 22009.1, 22150, 22155, 22202, 22203, 22208, 22302, 22308, 22560, 22873, 22874, 22876, and 22958 of, and to add Sections 22009.03 and 22156 to, the Government Code, relating to public employees' benefits~~ *An act relating to state employees, and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1773, as amended, Committee on Public Employees, Retirement and Social Security. ~~Public employees' benefits. State employees: memorandum of understanding.~~

Under existing law, a provision of a memorandum of understanding reached between the state employer and a recognized employee organization representing state civil service employees that requires the expenditure of funds does not become effective unless approved by the Legislature in the annual Budget Act.

This bill would approve provisions that require the expenditure of funds of a memorandum of understanding entered into between the state employer and an unspecified employee organization and would provide that these provisions will become effective even if these provisions are approved by the Legislature in legislation other than the annual Budget Act.

The bill would provide that provisions of the memorandum of understanding approved by this bill that require the expenditure of funds will not take effect unless funds for these provisions are specifically appropriated by the Legislature, and would require the state employer and the affected employee organization to meet and confer to renegotiate the affected provisions if funds for these provisions are not specifically appropriated by the Legislature.

This bill would declare that it is to take effect immediately as an urgency statute.

~~(1) Under existing law, the Board of Administration of the Public Employees' Retirement System is authorized to appoint and fix the compensation of certain employees of the system whose positions are designated as managerial, notwithstanding specified provisions of law.~~

~~This bill would clarify the board's ability to make appointments and fix compensation notwithstanding several provisions establishing salary limits.~~

~~(2) The Public Employees' Retirement Law permits certain adjustments to be made with respect to employer and employee contributions if more or less than the correct amount is paid, and further specifies that losses or gains resulting from errors within the limits set by the State Board of Control for automatic writeoff shall be debited or credited to specified reserves, losses, or contingencies.~~

~~This bill would change references to the State Board of Control to the Victim Compensation and Government Claims Board.~~

~~(3) Under existing law, state employees who become members of the Public Employees' Retirement System after a certain date do not immediately make contributions nor receive service credit for their service, during their first 24 months of employment.~~

~~This bill would clarify that a member who separates from state employment shall remain subject to that provision for the duration of the 24-month period prescribed if he or she returns to state employment within that period, as specified.~~

~~(4) Existing law refers to the University of California Retirement System.~~

~~This bill would change those statutory references to the University of California Retirement Plan.~~

~~(5) Under existing law, patrol, state safety, state industrial, state peace officer/firefighter, or local safety members, among others, who are incapacitated as a result of an industrial disability are retired for disability, except as specified.~~

~~This bill would exclude from that provision state safety members who are state prosecutors or state public defenders.~~

~~(6) The Public Employees' Retirement Law establishes the circumstances in which a retired person may serve without reinstatement from retirement or loss or interruption of benefits. Under that law, certain appointments may be made of limited duration if they do not exceed 960 hours in any calendar year.~~

~~This bill would change the basis for calculating the maximum number of hours a retired person may serve from a calendar year to a fiscal year and would make related changes to those provisions.~~

~~(7) Existing law authorizes a special death benefit for deceased state, school, or local miscellaneous members and for specified local safety members, if the death of the member was a direct consequence of a violent act that arose during his or her official duties.~~

~~This bill would make that provision applicable to state safety members who are state prosecutors and state public defenders.~~

~~(8) The Public Employees' Retirement Law defines the term "public agency" for purposes of certain provisions relating to federal Social Security. Existing law, until January 1, 2005, included within that definition, a school district, a county superintendent of schools, and a regional occupational center or program established pursuant to specified provisions, with respect to employees eligible for membership in the State Teachers' Retirement Plan.~~

~~This bill would again include those entities within the definition of that term. The bill would also authorize the State Teachers' Retirement Plan to provide Medicare coverage for employees of a public agency, as so defined, upon request of the public agency. The bill would also specify the conditions by which a member of such a public agency may elect Medicare coverage.~~

~~(9) Existing law establishes the Public Employees' Medical and Hospital Care Act.~~

~~This bill would revise the definition of state service as used within the act, would specify the percentage of employer contributions for certain post-retirement health benefits, and would make other related changes to that act.~~

~~(10) The bill would declare that it is to take effect immediately as an urgency statute.~~

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. The Legislature finds and declares that the*
2 *purpose of this act is to approve an agreement pursuant to*
3 *Section 3517.6 of the Government Code entered into by the state*
4 *employer and a recognized employee organization.*

5 *SEC. 2. The provisions of the memorandum of understanding*
6 *prepared pursuant to Section 3517.5 of the Government Code*
7 *and entered into by the state employer and State Bargaining Unit*
8 *_, and that require the expenditure of funds, are hereby approved*
9 *for the purposes of Section 3517.6 of the Government Code.*

10 *SEC. 3. The provisions of the memorandum of understanding*
11 *approved by Section 2 of this act that are scheduled to take effect*
12 *immediately, and that require the expenditure of funds, shall not*
13 *take effect unless funds for these provisions are specifically*
14 *appropriated by the Legislature. If funds for these provisions are*
15 *not specifically appropriated by the Legislature, the state*
16 *employer and the affected employee organization shall meet and*
17 *confer to renegotiate the affected provisions.*

18 *SEC. 4. Notwithstanding Section 3517.6 of the Government*
19 *Code, the provisions of any memorandum of understanding that*
20 *require the expenditure of funds shall become effective even if the*
21 *provisions of the memorandum of understanding are approved by*
22 *the Legislature in legislation other than the annual Budget Act.*

23 *SEC. 5. This act is an urgency statute necessary for the*
24 *immediate preservation of the public peace, health, or safety*
25 *within the meaning of Article IV of the Constitution and shall go*
26 *into immediate effect. The facts constituting the necessity are:*

27 *In order for the provisions of this act to be applicable as soon*
28 *as possible in the 2005-06 fiscal year, and thereby facilitate the*
29 *orderly administration of state government at the earliest*
30 *possible time, it is necessary that this act take effect immediately.*

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**All matter omitted in this version of the bill
appears in the bill as introduced in
Assembly, April 4, 2005 (JR11)**

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